EXHIBIT 22

Confidential Presentation to:

Fitch Ratings

Annual Update

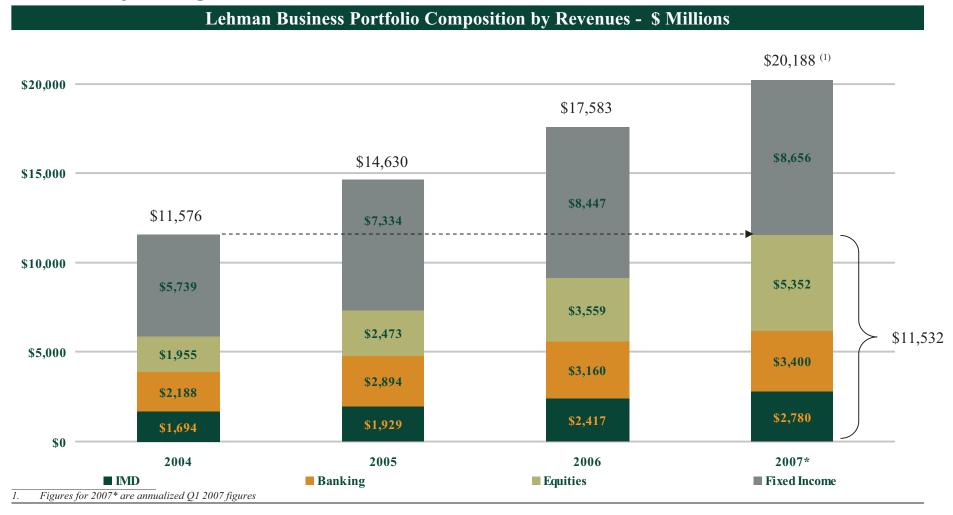
May 22, 2007

LEHMAN BROTHERS

Diversified Business Portfolio

Franchise Progress

While Fixed Income remains the largest revenue source, and has grown significantly as a result of secular changes (e.g., disintermediation), other businesses have also grown rapidly. The combined non-Fixed Income businesses are roughly the size of the entire Firm three years ago.



Risks and Risk Mitigation

Leveraged Lending and High Yield Update

The nature of risks and risk mitigation deployed is different in different businesses. However the core principles are the same: discipline in taking on exposures, aggressive syndication of positions, active hedging of remaining holds, and careful monitoring of risks

	Business	Primary Risk		Risk Mitigation
	Leveraged Loans	Concentrated positions subject to price movement ahead of syndication	\Rightarrow	Detailed understanding of financialsStringent commitment processAggressive syndication
	Bond Origination	Concentrated underwriting exposure	\Rightarrow	 Equity and CDS hedges Market swaps Aggressive Syndication
	Bond Trading	Market price movements	\Rightarrow	• Active trading and CDS / CDX
	CLO Warehousing	Idiosyncratic price movements General market movements	⇒	CDS / CDXEquity ShortsRisk sharing with CLO managers
	Risk Arbitrage	Relative value change	⇔	•Options, equity and CDS

Leverage Lending

Leveraged Lending and High Yield Update

The well documented increase in LBO activity has resulted in an increase in overall market activity, more sizable transactions. We have invested in origination capacity in our investment banking team, and also in distribution and hedging.

Loan Activity	Risk Element	Risk Mitigation
Commitment Letters	•Credit Risk, particularly concentration	 Understanding of other participants and pricing Inclusion of commitment by borrower to bring other lenders in Partners to lay off risk
	• Liquidity / Funding	 Pre-funded sources of long-term capital Partners with committed funding Origination to LB Banks
Underwriting of Loans	• Credit & Market Risk	Established buyer baseLoan CDSAggressive early stage syndication
Post-Syndication	• Credit & Market Risk	• Central hedging function • Loan CDS and CDX
Positions	• Liquidity	Origination to LB Banks Partners

Risk Mitigation: Loan Commitment Approval Process

Commitment Process - A series of "checks and balances"

Leveraged Lending and High Yield Update

Individual business units and product groups first review and approve transactions prior to them being elevated to Firm wide Committees. Transactions above certain thresholds or those containing significant reputation risk to the firm are elevated to the Executive Committee.

Divisional

Commitment

Committees

Deal Team & **Research Analysts** participate in due diligence

Investment

Banking

managers

Commitment

Committee

Credit Review

relationship

responsible for

coordinating the

approval process

Deal Team

prepares detailed

memorandum

- Performs extensive credit review
- Discusses syndication strategy and pricing
- Ensures attractive ROE
- Ensures transaction can be accommodated within limits

Firmwide Commitment Committee

Ensures that

- The transaction fits within our funding and risk frameworks
- Even in downside scenarios the deal works
- There is proper coordination across the Firm
- Due diligence has been thorough
- The Firm is comfortable doing business with the client
- The Firm is protected from a legal perspective
- The syndication strategy and exit is clear

Executive Committee

• Transactions above those with significant reputational or client risks are elevated to

analyst, and Research participate in due diligence and risk assessment

- Proposal described
- · Results of all due diligence reported
- Opinions, financial projections and recommendations of Commitment Committee Credit Review analyst, and research reported

specified thresholds or **Executive Committee**

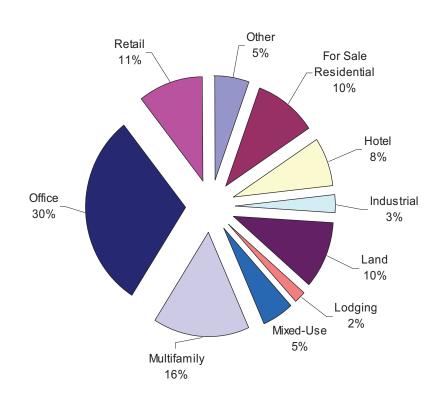
Portfolio Diversification I

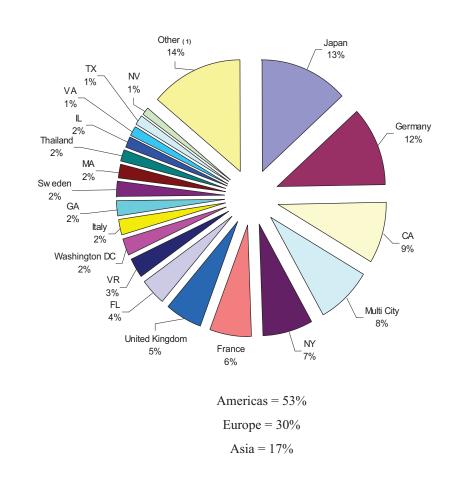
Real Estate Update

There is significant diversification in the portfolio by both asset type and geographical location

Balance Sheet by Property Type

Balance Sheet by Location





1. Other represents 56 other cities/countries